

March 6, 1984

LB 962

certain annuity or sick pay is deleted. The federal withholding of these amounts is voluntary and the amounts are very small in relation to the administrative cost to set up a state withholding system. It did not seem advisable to keep this in since the return was so small. Section 14 of the bill on page 43 is deleted. The original intent of this section was to make the sales tax lien arise earlier than at present and similarly to the federal tax liens. However, technically the time of assessment when a lien would arise is slightly different under federal law and because of many questions and concerns for bona fide purchases without notice and so forth, the change is deleted from the bill. The Department of Revenue has also concurred with this change. Now Section 30 regarding expansion of the audit review and holding open the statute of limitation is deleted. These changes became a very controversial issue and since LB 962 is intended to be basically a cleanup bill these changes we feel should not be in there but will be studied more thoroughly and perhaps if we see fit to bring them back next session. New language on pages 83 and 85 is deleted. This language provided for new administratively levied penalties aimed at tax protestors. However, it was difficult to adequately define the language and because these penalties are very harsh and another section of the bill creates a new court levied penalty of up to \$5,000 for these tax protestor cases, it was thought that the other new penalty would be sufficient for now. And then finally on pages 90 and 91, language providing for certain mandatory audits is deleted. This change was requested by the department because the present language does not permit the department enough flexibility to target the audits where the need is the greatest. That is the explanation of my amendments. Again, are basically cleanup amendments to make the bill a little more workable and as I said, has been worked out by the various parties that are concerned with it. With that explanation I would move for my amendments to the committee amendments, then I will talk to them, Mr. President. To the bill, excuse me, not to the committee amendments, to the bill.

SPEAKER NICHOL: You want to treat this as an amendment on its own then rather than as an amendment to the amendment?